

	<p style="text-align: center;">Risk Management & Tort Defense Division</p> <p>Title: Water Damage Insurance and Responsibilities for Clean-Up. Short Title: Water Damage Mitigation Replaces and Supersedes: None</p>	Number: RMTD0008
		History Log: Approval Date: Effective Date: 05/03 Reviewed: 08/15/06 Last Revision: Contact: Brett E. Dahl
		Approved: Brett E. Dahl

STATE PROPERTY WATER DAMAGE CLEAN-UP

This policy is effective for new water losses beginning immediately. The State of Montana insurance program requires all agencies to promptly report losses and mitigate damages. This duty to report and mitigate will be rigidly enforced.

The insurance program covers direct physical damage to covered property caused by single sudden water damage events. Losses resulting from water over a period of weeks, months, or years are not considered single sudden water damage events.

Direct damage includes damage to covered property caused only by the water. Damage caused by mold is not the direct result of a water loss and is not covered.

Changes in the legal and insurance environment require stricter adherence to loss mitigation requirements. This is especially true with water damage losses because of the possibility of the development of mold. It is most effective to control mold by aggressively controlling water.

Risk Management and Tort Defense will authorize and pay for reasonable aggressive measures to dry up water. Insurance funds will not be used to pay for mold remediation effective immediately. Agencies will be required to fund mold remediation.

Water mitigation requirements to avoid the growth of mold: Specifically Risk Management and Tort Defense will require all agencies to:

- Shut off the water.
- Any water loss that cannot be totally dried within 24 hours must be reported to Risk Management and Tort Defense at (406) 444-2422 or (406) 444-7996 within one business day of any occurrence.
- Take time to **think** about the items that are being damaged. Decide what are the priorities since you have a limited ability to save things. Get out of harm's way items that are irreplaceable.

- Clean up any standing water. But you are not done when the obvious water is mopped up.
- Find all the water. Look in all adjacent rooms, lower floors, basements and crawl spaces. Look inside all boxes and under all contents. It is essential to immediately take the time for this search.
- Aggressively dry. Usually moving air is the most effective way to dry up water. Install fans. Fans designed for this can be rented or water damage restoration professionals can be retained.
- While moisture levels remain above normal in the area of a water loss, agencies must actively, continuously, use appropriate processes to reduce moisture levels. After extraction of standing water, drying fans or other active means must be used to bring moisture levels back to normal.
- Because water trapped inside walls and floor systems takes a long time to dry, that often leads to mold. It must be decided whether it is appropriate to tear into drywall, floors and the like in order to mitigate the damage. It is our position that reasonable removal of building items in the long run will reduce cost.
- Consult with the claims staff at Risk Management and Tort Defense. They can provide expertise and authority to spend insurance funds.
- If you find that mold has begun, you must not let it spread. Do not expose anyone to the mold without proper protection. Do not stir it up with activity in the area. Take measures to contain it and control the movement of air around it.
- If at any point health hazards are discovered that are caused by a water loss, Risk Management and Tort Defense must be notified.